Impact of disinvestment on Indian Airlines

460. SHRI S. AGNIRAJ: Will the Minister of CIVIL AVIATION be pleased to state:

(a) what will be the impact of disinvestment in Indian Airlines;

(b) when this process will be completed;

(c) whether the services in Civil Aviation will improve by this method;

(d) what will be Government's role in this sector in the future; and

(e) the steps which are under consideration to bring in private participation in the civil aviation sector?

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV): (a) The disinvestment of Indian Airlines is expected to result in improved air-services, efficiency and financial performance.

(b) The process will be completed expeditiously, but it is difficult to indicate the exact time at this stage.

(c) Yes, Sir.

(d) Government will provide appropriate policy, legal and regulatory framework to ensure safe, secure, efficient and wide-spread air-services, which also contribute to social and economic development of the country.

(e) Private sector participation in civil aviation sector is being ensured through progressive policies for operation of private airlines, airport management etc.

Time frame for modernisation of Airports

461. SHRI PREM CHAND GUPTA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that the Airports Authority of India has not been able to modernise all of its five international airports to meet the growth of traffic and operations; and

(b) if so, what is the time frame within which this modernisation and update programme will be achieved?

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV): (a) and (b) The process of modernisation is an ongoing process keeping with the growth in traffic and availability of resources. A new international passenger complex has been completed in Mumbai Airport and work relating to aerobridge is likely to be completed in July, 2000. At Calcutta Airport, modernisation of Terminal-II for international passenger is likely to be completed in June, 2000. At Indira Crandhi International Airport Delhi, works relating to construction of export and import Cargo Terminals are likely to be completed!in June and September, 2000 respectively. At Chennai Airport, the projects of construction of International Cargo Terminal and modernisation of Anna International Terminal are likely to be completed by March, 2001 and December, 2002, respectively. At Thiruvananthapuram Airport, modernisation of international passenger terminal have been completed.

Privatisation 0f IA and AI

462. SHRI J. CHITHARANJAN:
SHRI GURUDAS DAS GUPTA:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Government have decided to privatise the Indian Airlines and Air India; and

(b) if so, the details thereof?

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV): (a) and (b) The recommendations of the Disinvestment Commission of India to disinvest Government's equity in Air India are under consideration.

As regards, Indian Airlines, it has been decided to disinvest fifty one per cent shares of the IA's equity. While 26% of the equity would be sold to a joint venture (JV)/strategic partner (who may be a group or an individual), the remaining 25% would be offered to employees, financial institutions and public. The disinvestment will be done within the framework of "Domestic Air Transport Policy"